



Federal Update for October 20 - 24, 2014



Social Security Announces 1.7 Percent Benefit Increase for 2015

Monthly Social Security and Supplemental Security Income (SSI) benefits for nearly 64 million Americans will increase 1.7 percent in 2015, the Social Security Administration announced today.

The 1.7 percent cost-of-living adjustment (COLA) will begin with benefits that more than 58 million Social Security beneficiaries receive in January 2015. Increased payments to more than 8 million SSI beneficiaries will begin on December 31, 2014. The Social Security Act ties the annual COLA to the increase in the Consumer Price Index as determined by the Department of Labor's Bureau of Labor Statistics.

Some other changes that take effect in January of each year are based on the increase in average wages. Based on that increase, the maximum amount of earnings subject to the Social Security tax (taxable maximum) will increase to \$118,500 from \$117,000. Of the estimated 168 million workers who will pay Social Security taxes in 2015, about 10 million will pay higher taxes because of the increase in the taxable maximum.

Information about Medicare changes for 2015 is available at www.Medicare.gov. The Social Security Act provides for how the COLA is calculated. To read more, please visit www.socialsecurity.gov/cola.

VA Expands Fry Scholarship to Surviving Spouses of Servicemembers Who Died on Active Duty

Washington, DC – The Department of Veterans Affairs (VA) announced it will begin accepting applications by mail on Monday, November 3, 2014, for the Fry Scholarship under newly expanded eligibility criteria to include surviving spouses.

The expanded criteria for the Fry Scholarship is the latest in a series of VA actions to implement provisions of the Veterans Access, Choice, and Accountability Act of 2014 (“Choice Act”).

Specifically, Section 701 of the Choice Act expands the Fry Scholarship to include the surviving spouses of Servicemembers who died in the line of duty after September 10, 2001. Prior to this expansion, only children of those who died in the line of duty were eligible for this benefit.

“We can never fully repay the debt we owe to these families who have lost a loved one,” said VA Secretary Robert McDonald. “It is a privilege to provide educational benefits that will make a positive difference in their lives.”

The Fry Scholarship was created to honor Sergeant John David Fry, 28, of Lorena, Texas. Sergeant Fry had one week left in his tour in Iraq in 2006, when he volunteered to continue working for seven more hours disarming explosive devices, despite having already sustained an injury to his hand. He made the ultimate sacrifice on March 8, 2006, in Anbar province, Iraq, when an improvised explosive device detonated. He left behind a widow and three young children. The Fry Scholarship will entitle eligible spouses to up to 36 months of the full, 100-percent level of the Post-9/11 GI Bill, which includes a tuition-and-fee payment, a monthly housing allowance and stipend for books and supplies. Some spouses currently eligible for or already receiving benefits under the Survivors’ and Dependents’ Educational Assistance (DEA) program may now be eligible for the Fry Scholarship. All surviving spouses eligible for DEA and the Fry Scholarship must make an irrevocable election for terms beginning on or after January 1, 2015.

VA will identify surviving spouses eligible for both programs and send them a letter with comparative information on the benefits available and instructions on how make an election. Information about these two programs is available on VA’s website and the GI Bill website (www.benefits.va.gov/gibill). The VA call center (888-GIBILL-1) also will be able to help individuals understand the differences between the two programs.

VA Credibility Update ► Lawmakers Continue to Scrutinize Operations

Congress is out of town in preparation for the November elections, but that hasn't stopped lawmakers' scrutiny of the Veterans Affairs operations in Washington, D.C. The department continues to take near daily criticism from elected officials and outside advocates over access and accountability issues. As re-election campaigns heat up, many are giving a national platform to local VA headaches, and promising changes throughout the system.

- Earlier this week, House Veterans Affairs oversight subcommittee chairman Rep. Mike Coffman (R-CO) demanded immediate action from top VA officials after reports that the department's deputy chief procurement officer gave unfair financial advantages to an outside federal contractor with whom she was having an affair. In a letter to VA Secretary Bob McDonald, Coffman said the incident is just the latest example of "the morally bankrupt and ethically impaired culture that exists within the department."
- Fellow committee member Rep. Jackie Walorski (R-IN) petitioned the same federal officials this week to intervene in the case of an Indiana veteran who suffered a life-threatening blood clot after waiting months for a thorough medical appointment.
- Rep. Doug Lamborn (R-CO) has stated that VA leadership promises for an independent audit of health care operations is taking too long.
- House Veterans Affairs Chairman Rep. Jeff Miller (R-FL) has said he wants investigators looking into data manipulation and fraud cases at VA regional facilities to also focus their attention on the department's leadership, to see whether other top officials covered up systemic problems. Nearly all of the most senior VA officials have left since former VA Secretary Eric Shinseki resigned from his post in May. But Miller and others have complained that those resignations may not have gone far enough to root out problem employees at the agency.

Also this week, officials from Concerned Veterans of America launched their newest oversight effort, a “Fixing Veterans Health Care” task force designed to scrutinize not just current care problems but also examine alternative plans to overhaul the VA’s operations. The effort will be led by former Republican Senate Majority Leader William Frist, former Georgia Democratic congressman Jim Marshall, and former Undersecretary of Veterans Affairs for Health Mike Kussman. In a statement, Frist said VA’s “current inefficiencies and lack of transparency” are stopping veterans from getting the care they deserve. Pete Hegseth, chief executive officer for CVA, said the effort isn’t tied to any pre-election campaigning, but is designed to keep focus on reforming the department. He’s also hopeful the final report to be released in December can help influence next year’s incoming Congress. “We’re not excluding any ideas,” he said. “Our only litmus test is whether it improves veteran’s access to quality and timely care.” McDonald has promised a host of reforms and retaining throughout the department by Veterans Day in November, but has also publicly pledged to work with critics on find ways to fix operations and rebuild the department’s reputation. [Source: NavyTimes | Leo Shane | Oct. 3, 2014 ++]

VA Credibility Update ► First Firings under New Law

The Veterans Affairs Department said it is firing four senior executives as officials move to crack down on wrongdoing following a nationwide scandal over long wait times for veterans seeking medical care, and falsified records covering up the delays. The dismissals are the first since Congress passed a law this summer making it easier for veterans who experience delays to get care outside VA's nationwide network of hospitals and clinics. The law also made it easier for the agency to fire senior officials suspected of wrongdoing, shortening their appeals process to 28 days. Among those being fired were a top purchasing official at the Veterans Health Administration, directors of VA hospitals in Pittsburgh and Dublin, Georgia, and a regional hospital director in central Alabama, the VA said. "VA will actively and aggressively pursue disciplinary action against those who violate our values," Deputy VA Secretary Sloan Gibson said Monday. "There should be no doubt that when we discover evidence of wrongdoing, we will hold employees accountable."

But a Republican congressman challenged the VA, saying that at least one of the employees being fired has already announced his retirement. **John Goldman**, director of the Carl Vinson VA Medical Center in Dublin, Georgia, said last month he was stepping down. Employees at the hospital have admitted to keeping false records to hide long wait times for veterans. "Bragging about the proposed removal of someone who has already announced his retirement can only be described as disingenuous," said Rep. Jeff Miller (R-FL) chairman of the House Veterans Affairs Committee. Miller called the VA's announcement of Goldman's dismissal a "***semantic sleight of hand***" that is insulting to veterans and their families hurt by the VA scandal. Gibson and other VA leaders "must not tolerate this instance of what appears to be blatant deceit," Miller said.

A VA spokeswoman said the VA prepared papers ordering Goldman's removal independent of his retirement announcement. Miller and other lawmakers said they hoped the VA followed the intent of Congress in firing failing executives. "What I don't want to see happen is for (senior employees) to retire, resign or find another government job outside of VA without consequence — a pattern that has been emerging in recent weeks," Miller said.

- One of the employees being fired is **Susan Taylor**, the deputy chief procurement officer with the VHA who oversees \$15 billion a year in federal contracts. A report by the VA's Office of Inspector General found that Taylor helped steer contracts to a private company that championed so-called reverse auctions, in which sellers compete with each other to offer the lowest bids. Taylor advocated for the company, Virginia-based FedBid, and worked to discredit a senior VA official who had declared a moratorium on reverse auctions while the government studied them, the report said. She also "misused her position and VA resources" for FedBid's private gain and interfered with the inspector general's investigation, the report said. Taylor had been offered a job with the Energy Department, but that was rescinded after the DOE learned of the IG's report, officials said.
- **Terry Gerigk Wolf**, director of the Pittsburgh VA Healthcare System, is being fired for unspecified "conduct unbecoming a senior executive." Wolf has been on paid leave since June after a VA review of a Legionnaire's disease outbreak between February 2011 and November 2012. At least six

Pittsburgh VA patients died and 16 were sickened by the bacterial disease that was traced to water treatment problems at the Pittsburgh-area hospitals, which also prompted congressional hearings.

- **James Talton**, director of the Central Alabama VA Healthcare System, is being fired after an investigation by the VA's Office of Accountability Review substantiated allegations of neglect of duty. Rep. Martha Roby (R-AL) called Talton's dismissal "a positive sign that the new VA leadership is committed to removing bad actors and improving the health care system." Talton was placed on administrative leave in August after reports that hundreds of X-rays went unread, patients experienced long delays in getting appointments, patient records were manipulated and one employee took a patient to buy illegal drugs.

Neither Talton nor the other employees could be reached for comment late Monday. The employees have seven days following their dismissal to appeal, with a decision by an administrative judge due 21 days after that. [Source: USA Today | Phillip Rawls | ct. 06, 2014 ++]

VA Credibility Update ► BVA Mismanagement Alleged

A House panel says the head of the VA's Board of Veterans' Appeals continues to mismanage the legal office and may have been "untruthful" in her sworn congressional testimony claiming improvements in processing vet appeals last month. Despite reassurances to lawmakers, Board Vice Chairman Laura Eskenazi appears to have still promoted unqualified attorneys, not properly advertised open job positions and created new employee positions that will not decrease the board's growing backlog, according to Rep. Mike Coffman (R-CO). Coffman, the chairman of the House Veterans Affairs oversight and investigations subcommittee, questioned whether Eskenazi could perform her job in a letter sent to VA Secretary Bob McDonald on 1 OCT, weeks after a department whistleblower also testified before the House about records manipulation and improperly delayed appeals cases by her and other board employees. The board is a relatively small legal department within the Department of Veterans Affairs that reviews vet appeals over benefits decisions.

“These actions call into question the credibility of Ms. Eskenazi’s leadership and whether she is taking the BVA down the right [path],” Coffman wrote. “I question her decision-making process, knowledge of the current backlog situation, foresight to [move] the BVA forward, and commitment to veterans to get cases decided in a timely manner. I simply question her abilities.” The complaints over job performance come as the VA announced 7 OCT that it is firing four top executives to root out misconduct and corruption in the wake of a national scandal over records manipulation and long wait times in its health care system. Over the summer, Congress passed a comprehensive reform bill that streamlines the firing and appeals process.

Among Coffman’s claims against Eskenazi’s leadership:

- The board’s 300,000-case backlog is increasing.
- Board attorneys were promoted to positions they are not qualified for and positions were not advertised as required by law.
- Three part-time administrative law judge positions were created, but will be part-time and not be required to meet a quota of resolving 700 cases per year as part of the effort to decrease the backlog.
- Eskenazi also added two chief judge positions to the board, though the judges are not required to meet the quota and so represent “1,400 appeals that will go undecided in a year.”

Coffman asked the VA to explain the criteria for promoting attorneys and for Eskenazi to give a detailed description of her plans to reduce the large number of appeals yet to be decided. “Ms. Eskenazi testified that morale at the BVA had increased, and she was working with all of the attorneys to discover new ways to process cases more efficiently,” Coffman wrote. “However, it appears that Ms. Eskenazi’s statements may not be wholly truthful and in fact actions are occurring that would effectively hurt veterans, as resources are not being fully utilized to make determinations in veterans’ appeals.” Coffman issued a statement to Stars and Stripes Tuesday saying “the testimony offered by Ms. Eskenazi before my subcommittee on 10 SEP does not conform with the facts as we know them. My concerns are predicated on what seems to be a pattern of misleading testimony and public statements from VA officials in the past.” The VA did not respond to questions Tuesday morning. A spokeswoman said the department is working on a response to Coffman.

Last month, a whistleblower from the appeals board, Kelli Kordich, testified before the House subcommittee, saying Eskenazi and others manipulated records to hide overly long delays in deciding cases. Kordich testified that the vice chairman and head office staff shifted cases in a tracking system in 2012 to wipe evidence it had held some for months or longer. At least one case was held for over a year and Eskenazi personally delayed five appeals cases, she said. In response, Eskenazi told lawmakers that some appeals languished due to specific issues preventing a decision or because VA attorneys were overloaded with work.

On Tuesday, Kordich, who remains on the BVA, told Stars and Stripes that Eskenazi has continued to deny dysfunction in the VA appeals process following the congressional hearing and the VA “secretary has done nothing to rectify the situation at the board, which I assume prompted Congressman Coffman to compose this letter.” [Source: Stars and Stripes | Travis J. Tritten | Oct 07, 2014 ++]

VA Caregiver Program Update ► Program Expansion Unlikely

For older generations of spouses, mothers and other family caregivers of severely disabled veterans, the startling feature of the Family Caregiver Program that Congress enacted in 2010 was its exclusivity. The unprecedented package of caregiver benefits includes training to help to ensure patient safety; cash stipends to partially compensate for caregiver time and effort; caregiver health coverage if they have none, and guaranteed periods of respite to protect against burn out.

The comprehensive package, however, isn’t available to most family members who are primary caregivers to severely ill and injured veterans. To control costs, Congress opened the program only to caregivers of veterans severely “injured,” either physically or mentally, in the line of duty on or after Sept. 11, 2001. It is not open to families of severely disabled vets injured before 9/11. It also is not open to post-9/11 veterans who have severe service connected illnesses, rather than injuries.

Advocates for these forgotten families had hoped a successful launch of a limited program would spur Congress to expand eligibility and end the obvious inequity it created. That hope is set back by a new Government Accountability Office report

on the three-year-old Family Caregiver Program, which finds its under resourced and, for the most part, in disarray. For starters, officials woefully underestimated the number of veterans eligible for the program, for which Congress set aside \$1.5 billion to fund it through fiscal 2015. VA forecast 4000 approved caregivers by September this year. Instead, by last May, 15,600 had been approved out of an applicant pool of 30,400. Roughly 500 more are being approved monthly, GAO said, with no slowdown in sight. Eight of every 10 approved caregivers are spouses of veterans. Ninety-two percent of them care for veterans with mental health diagnoses, mostly post-traumatic stress disorder (63 percent) or traumatic brain injury (26 percent). Stipends, based on local hourly caregiver wages, are set at three levels.

Caregivers providing a maximum of 40 hours of care per week receive an average of \$2320 a month, or \$27,830 annually. About 6000 caregivers qualify for this level. An equal number provide a maximum of 25 hours' care per week and draw an average \$1470 a month. And 3,600 caregivers provide 10 hours of care weekly and receive on average \$600 a month or \$7200 a year. Because VA "significantly underestimated caregivers' demand for services," GAO reports, VA medical centers were unprepared to meet program demands, particularly the work load on primary care physicians and nurses who must form into teams and visit homes of applicants to assess health needs and determine appropriate levels of caregiver support. GAO also found that the computer system hastily adopted to track caregivers and workloads is inadequate and must be replaced if officials are to have data needed to monitor and resource the program effectively.

As the program now operates, a mandate to complete application reviews within 45 days is routinely missed. Also, some physicians and nurses have rebelled against the extra work, declining to visit homes to assess caregiver skills, veterans' eligibility and proper level of support. VA regional health officials told GAO, the report says, "that their facilities do not have sufficient medical staff to effectively manage the additional workload" from the program, "which they view as collateral duty." There are funds for medical centers to hire more Caregiver Support Coordinators who run the program locally by providing stipends and support services, and arranging CHAMPVA medical coverage for eligible caregivers. But GAO found some medical centers reluctant to hire enough CSCs for fear that funds available now to support caregivers will dry up in time, forcing medical centers to pinch spending on more critical priorities.

As a result, GAO reports, the ratio of coordinators to caregivers varies widely across the VA medical system. For example, there is one coordinator for six caregivers in Fayetteville, Ark., and also only one to support 251 caregivers at the Atlanta VA medical center in Decatur, Ga. The workload on some CSCs is so heavy that caregivers can't get their phone calls returned. One caregiver said she became desperate to learn how to manage a veteran with increasingly severe symptoms of traumatic brain injury. Her coordinator finally said her request was one of many and the program was too taxed to provide counseling. So the caregiver had to turn to an outside non-profit organization for help. "There are just not enough people to run the program," said Adrian Atizado, assistant legislative director for Disabled American Veterans, who has monitored the caregiver program since its start. "There are not enough support coordinators, not enough interdisciplinary providers and nurses to do the home visits. Also, keep in mind this program doesn't exist anywhere else. This is the first of its kind so it's going to have problems." All of the research and the studies that Congress relied to shape the program, Atizado added, had focused on caregiver needs for the elderly, not for a younger generation of veterans struggling to reengage with society.

Atizado noted that most caregivers of severely disabled veterans, including most represented by DAV, aren't eligible for the comprehensive caregiver benefit, although they want to be and should be. "We have always asked that eligibility include illness so if you come down with multiple sclerosis or ALS, a prevalent disease for the veteran population that served in Southwest Asia for whatever reason," Atizado said, "that should be covered. Now, it is not allowed." Caregivers of older vets also should be covered, he said. Most caregivers of severely disabled Vietnam and Korean War veterans "are spending their estates to support their veterans at home. They haven't worked in 20 to 30 years. They have no Social Security or retirement. These are the veterans and caregivers we're fighting to get expansion for." Problems with the current program don't help, he agreed. VA concurred with GAO recommendations to fix the program so eligible caregivers get the services they need. How long it will take is not yet clear. [Source: Military.com | Tom Philpott | Sept. 25, 2014 ++]

VA Whistleblowers Update ► Three Accept Retaliation Settlements

Three Veterans Affairs Department employees who blew the whistle on patient scheduling problems and financial mismanagement at the VA's Phoenix medical center have won settlements for their claims of management retaliation. The Office of Special Counsel on 29 SEP announced it had obtained "full and fair" relief for Katherine Mitchell, Paula Pedene and Damian Reese, though details of the settlements were not disclosed. Since VA was hit by scandal this spring, lawmakers from both parties have called for a criminal investigation into whether VA officials potentially committed fraud by lying about patient wait times so they could meet performance measures that would-win them bonuses.

Whistleblowers played a key role in the exposing the issues, which resulted in reform legislation signed by President Obama in August. "Dr. Mitchell, Ms. Pedene, and Mr. Reese followed their consciences and reported wrongdoing, and their efforts have improved care and accountability at the VA," Special Counsel Carolyn Lerner said. "I applaud the VA's leadership for taking actions to quickly resolve these cases and [take] concrete steps to change the VA's culture. The settlements allow these courageous employees to return to successful careers at the VA. VA leadership is sending a clear message: whistleblowing should be encouraged, not punished."

The three cases are the first since VA's post-scandal reforms, which include overhauling the department's Office of Medical Inspector, setting up an expedited review process for whistleblowers and creating an Office of Accountability Review. The three whistleblowers who won settlements had received demotions and poor performance ratings for speaking out.

- Dr. Mitchell, a 16-year veteran, was removed as director of the Phoenix facility's emergency room after reporting understaffing and poor triage training. She is now in a new position overseeing quality of patient care.
- Pedene, with two decades' experience as spokeswoman at the facility, disclosed numerous instances of financial mismanagement by former leaders in Phoenix. She was then investigated by VA management on "unsubstantiated charges," the OSC said, relieved of her job duties and assigned to an office in the basement library. She is now a national program specialist in the Veterans Health Administration's Office of Communications.

- Reese, a program analyst, raised concerns about the waiting times imposed on veterans seeking primary care. He then saw his annual performance rating downgraded by a senior official who had read his email.

The Special Counsel continues to process 125 other complaints related to the VA scandal from around the country. Though a separate secure reporting channel, the office also has 89 pending whistleblower disclosures, 51 of which have been referred to VA for investigation. [Source: GovExec.com | Charles S. Clark | Sept. 29, 2014 ++]

GI Bill Update ► VA Unable to Implement New Law H.R.3230

When Congress passed the Veterans, Access, Choice and Accountability Act of 2014 (H.R.3230) to hopefully improve veterans access to healthcare through the VA it included 2 important educational benefits in the bill. First it required all states to apply in-state tuition rates to veterans using the Post 9/11 GI Bill.

Secondly, it made widows and widowers of service members who died in the line of duty after 9/11 qualified to receive the Fry Scholarship. The Fry Scholarship previously applied only to children of those who died in the line of duty. These were not incidental parts of the bill. When signing it into law President

Obama said: “This bill covers a lot of ground, from expanding survivors’ benefits and educational opportunities to improving care for veterans struggling with traumatic brain injury and victims of sexual assault.” (Emphasis added)

At multiple meetings 9 SEP TREA’s Deputy Legislative Director Michael Saunders and Washington Executive Director Deirdre Parke Holleman were told by different VA employees that VA was having great difficulty planning for the implementation of the 2 programs within the time requirements specified by the law. The in-state tuition provision is supposed be in effect by July 1st 2015. VA Under Secretary for Benefits Allison Hickey said that no money had been appropriated to reprogram the automated computer system for the 100,000 potentially affected students. She said that with full funding it would take 2 years to make the changes necessary, not the one provided. The expansion of the Fry Scholarship program is supposed to go into effect by January 1st 2015. Applications, which include an irrevocable waiver of Chapter 35 education benefits, are to be available on November 3rd but will have to be submitted by paper instead of electronically, as they are now. They do not know the computer application will be up and running.

According to DEERS there are only 9,000 beneficiaries but the VA has certainly not worked out how the program will be implemented. When repeatedly questioned about the details the VA official could only answer , “That is a very good question... I will need to look into that.”

It will be very interesting to see what Congress’ reaction will be when they return after the election. When they left they were very unhappy with the VA. At the moment, however, it is VA that is unhappy with Congress. VA Deputy Under Secretary for Economic Opportunity Curtis Coy testified about this very subject to Congress over a year ago. At that hearing he told them explicitly that if they passed the bill granting in-state tuition to all Post 9/11 GI Bill and Fry Scholarship beneficiaries that money would have to be appropriated to update VA’s education payment processing system. If they did not, the Veterans’ Benefits Administration would have to stop using a system on which they had spent roughly half a billion dollars. If you are a widow/widower who is thinking about applying for the Fry Scholarship in the next 2 ½ months and need help please do not hesitate to call TREA’s Washington Office at 703-684-1981 • 800-554-8732 and ask for Deirdre Parke Holleman. [Source: TREA News for the Enlisted October 13, 2014 ++]

American Veterans Disabled For Life Memorial Update ► Dedication

The row of wheelchairs near the memorial dedication stage wasn’t part of the new tribute site, but it did help underscore its goal. On 5 OCT, hundreds of wounded veterans, military advocates and government officials gathered in Washington, D.C., for the dedication of the American Veterans Disabled for Life Memorial. The event was the culmination of 16 years of work and \$80 million in private donations, and drew praise as a long-overdue thank you for those whose wounds extended past the battlefield. “This memorial is a challenge to all of us, and a reminder of the obligations we are under,” President Obama told the crowd. “Let us never rush into war, because it’s America’s sons and daughters that bear the scars.”

There are about 4 million disabled veterans in America, with almost a quarter of that total from the conflicts in Iraq and Afghanistan. The new site is unusual in its dedication to both deceased and living veterans, setting aside much of its

commemoration for individuals still able to visit the site and talk about its personal meaning.

Unlike the six other war tributes on the National Mall located about a mile west, this memorial sits in the shadow of the Capitol building, a reminder from its designers that costs of armed conflict linger far beyond the battlefield. Lois Pope, chairwoman of the memorial foundation, said the idea grew from her visit to the Vietnam War Memorial to see her fallen cousin's name, and seeing the disabled Vietnam veterans visiting there. "I asked the park ranger where the memorial was to pay tribute to those men," she said. "He said there was none. I said, 'We have to fix that.'" She refers to the Vietnam wall as "the saddest place on Earth" and said the goal for the disabled veterans memorial all along was to provide a much more uplifting — if still sober — message. "I really hope this is a call to action," said Pope, a former Broadway star and prominent philanthropist. "We need to always make sure these veterans get the care they need and deserve and have earned."

Veterans Affairs Secretary Bob McDonald echoed that sentiment at Sunday's ceremony, calling the new site a powerful reminder of both the sacrifices made and his agency's work to be done. "VA exists to serve them," he said of disabled veterans. "They are the lifeblood of democracy ... and our most important focus." Obama also praised the continued service of many wounded veterans in their post military life, some in the civilian workforce, some as role models for the next generation of Americans. "Here we see your resolve, and your refusal to give in to despair and cynicism," he said. "Disabled veterans are defined not by what you can't do, but what you can do. "If you want to see what real strength is, look at these men and women."

The 2.4-acre site is wedged between several federal buildings, offering a space of calm among the rush of Capitol Hill, according to designers. Memorial walls are filled with quotes from statesmen and disabled veterans, and imagery of the survivors of both visible and invisible combat wounds. Actor Gary Sinise, the public face of the memorial project for the last several years, said organizers hope that will be the start of a national conversation on those veterans continuing role in American history. "We can't give these wounded veterans back their arms and legs," he told the crowd. "But we can give them our respect, our everlasting thanks, and our support." [Source: MilitaryTimes | Leo Shane | Oct. 05, 2014 ++]

Incarcerated Vet Facilities ► New San Diego Unit

It's a tidy cellblock. You might even say shipshape. Patriotic murals decorate clean, white walls. The blue Navy flag hangs next to the red Marine Corps banner. And inmates at the veterans unit of the Vista Detention Facility — a San Diego county jail — sit politely to hear a message that just might change their lives. "We don't want to see you come back here. You can do it. Each one of you is smart enough and disciplined enough. You're veterans, and you're something special," said Albert Slater, a retired Marine lieutenant colonel and volunteer with the nonprofit group American Combat Veterans of War. Then Slater asked each of the 32 incarcerated veterans to raise a hand. "When you came into the military, you vowed to put your life on the line to protect the United States," he said. "I want a vow from you today that you're not going to come back to this f—kin' place." A cheer — "Oo-rah!" — came back from the inmates.

San Diego County's veterans-only jail unit is a fairly new experiment in harnessing the memory of military service to put convicts back on the crime-free path. Launched in November, the unit's success has prompted the sheriff's department to open a second one later this fall at the Vista jail. The San Diego Association of Governments is gearing up to study the unit's track record, thanks to a \$334,000 grant from the National Institute of Justice. Inmates in the Veterans Moving Forward Program get an intense slate of county-provided classes on substance-abuse prevention, career planning and anger and stress management.

But sheriff's officials said community volunteers, such as the Oceanside-based American Combat Veterans of War, play a key role in why the veterans unit appears to be working. "An important piece for anyone in custody is for it to be recognized that you have self-worth and what you do with your life matters," said Christine Brown-Taylor, re-entry services manager for the sheriff's department. "All the groups that come in, they don't treat them like inmates. They are treating them like another human being," she said. "That's very powerful."

Law-enforcement and justice programs focused on veterans are on the ascent nationally, a response to the 2.2 million service members who took part in the post-9/11 wars. Iraq and Afghanistan war veterans diagnosed with post-traumatic stress disorder are twice as likely as other veterans to be arrested for crimes, according to research cited by SANDAG. However, other factors, such as growing

up in a violent home and a history of substance abuse, also play a role in that equation. San Diego County launched a veterans court, one of a handful in the state, in February 2011. It allows first-time and nonviolent offenders with military-related mental-health problems to get treatment instead of certain incarceration, along with the possibility of eventually having their records cleared. The first vets court opened in Buffalo, N.Y., in 2008. The all-vets jail unit is a more recent addition to the national scene. [Source: U~T San Diego | Jeanette Steele | Sept. 26, 2014 ++]

Vet Toxic Exposure ~ Lejeune Update ► Deadline Extended

The Veterans Affairs Department has extended its deadline for veterans to receive reimbursement for medical costs related to exposure to contaminated water at Camp Lejeune, North Carolina, and announced it will start paying out-of-pocket health costs for family members with certain health conditions related to drinking toxic water at the military base. Complying with a law passed in 2012 — the Honoring America’s Veterans and Caring for Camp Lejeune Families Act — VA has released two announcements clarifying its health care coverage and reimbursement policies for illnesses in veterans and family members who lived at Camp Lejeune from 1957 to 1987. More than 750,000 people may have been exposed to polluted drinking water at Camp Lejeune that contained volatile organic compounds and other chemicals like benzene and vinyl chloride.

The 15 illnesses covered under the law include certain cancers, such as breast, lung, esophageal and bladder cancer, as well as other medical conditions like kidney and liver problems, infertility, miscarriage and birth defects. VA began providing care to affected veterans for these diseases after the Camp Lejeune water law passed in 2012. But VA did not announce its plans to pay for family members’ care until 24 SEP — and even those procedures have not been finalized. Under the new rules, veterans have until Sept. 24, 2016, to request status as a Camp Lejeune veteran and be eligible for retroactive reimbursement of out-of-pocket medical costs back to Aug. 6, 2012 — the day the legislation authorized VA to begin providing benefits for Camp Lejeune veterans. Veterans can apply for Camp Lejeune status at any time, even after the 2016 date, but will not be eligible for reimbursement. Under the new rules, VA will reimburse family members diagnosed with one of the 15 contaminant-related illnesses back to

March 26, 2013, the date Congress provided funding for the law. Family members also must apply for status using the Camp Lejeune Family Member Health Care Program Application form. VA will not provide any direct medical care to affected family members.

Sens. Richard Burr (R-NC) and Kay Hagan (D-NC) said after the VA announcement that they were pleased the Obama administration is moving toward helping affected veterans and families but expressed disappointment with how long the process has taken. *“Unfortunately, many who were exposed to the contaminated water have already died as a result of their exposures and will not be able to receive the help this law provides. I fully expect VA will now move swiftly to implement all the regulations and extend a helping hand to the victims of this tragic episode in our nation’s history,”* said Burr, a Republican. *“Our veterans and their families exposed to toxic water contamination have waited too long for answers, and I am pleased they will now begin to receive the critical health care benefits they deserve,”* said Hagan. The senators also are pressing for additional legislation to expand the date of eligibility back to 1953 based on evidence that the drinking water contained cancer-causing contaminants years before the current accepted dates.

Retired Marine Master Sgt. Jerome Ensminger has helped lead the fight to uncover the problems and push for legislation to help affected families. His 9-year-old daughter Janey died in 1987 of leukemia, and he knows many service members, family and friends who either are sick or have died from exposure related diseases. Ensminger says his fight also isn’t over; he plans to push for a law requiring VA to deem the 15 illnesses and diseases related to military service and therefore, eligible for VA disability compensation benefits. While some Camp Lejeune veterans receive disability payments for their service related exposure at the installation, the benefit is not automatic. It should be, said Ensminger, who added that he is healthy and would not benefit financially from any change. *“The law we have right now is an admission of guilt. Why do you rate health care but have to jump through hoops to get service-connected disability? We were poisoned,”* Ensminger said. The water contamination at Camp Lejeune is the largest environmental hazards incident on a Defense Department facility in the United States. [Source: MilitaryTimes | Patricia Kime | Oct. 07, 2014 ++]

The Military Coalition Update ► FY 2015

Legislative Priorities

On 8 OCT The Military Coalition (TMC), a consortium of military and veterans groups, outlined its legislative priorities in the FY 2015 defense authorization bill. The Coalition offered its analysis of the House and Senate versions of the defense bill to the Chairmen and Ranking Members of the Armed Services Committees. Copies of the letter were also sent to every member of Congress. The Coalition praised the House and the Senate Armed Services Committees for rejecting many of the proposals by the Pentagon and the administration in the FY 2015 budget to cut costs on the backs of those who serve, including a consolidation of TRICARE options and cuts to commissaries. The Senate was urged to follow the lead of the House and block proposed active duty pay caps, a reduction in housing allowance compensation, and an increase in TRICARE pharmacy fees. A number of other key priorities were included in only one version of the bill. The Coalition highlighted these issues in the hopes both chambers would adopt the fixes in conference committee.

- **Full Future COLAs:** The Senate version of the defense bill would provide full Cost-of-Living Adjustments (COLAs) to new entrants in the military through January 1, 2016. Thanks to MOAA's advocacy efforts, current servicemembers, retirees, and survivors were grandfathered from cuts to COLA originally included in the Bipartisan Budget Act of 2013, but new recruits since January 1, 2014 were not protected.
- **Guard/Reserve Retirement Credit:** The Senate bill includes a provision to provide early retirement "rollover" credit for Guard/Reservists who serve 90 days on active duty during two fiscal years. Currently the 90 day clock resets at the start of a new fiscal year.
- **SBP Special Needs Trust:** The Senate bill also includes a provision to allow for Survivor Benefit Plan annuities to be paid into a Special Needs Trust for adult dependent children. Current law prohibits SBP from being paid into a trust. This can result in disabled dependent children being ruled ineligible for essential needs-based government aid because of their SBP income.

The letters also called for Congress to reach a bipartisan solution to repeal sequestration. The automatic, across-the-board cuts in government funding have

had a disproportionate effect on DoD. The arbitrary cuts have led to a “benefits versus bullets” debate which is placing readiness and the future of the all-volunteer force at risk. [Source: MOAA Leg Up Oct. 10, 2014 ++]

TRICARE Pharmacy Policy Update: Compounded Medication Use

Tricare spends \$259 million a year on medications it is not obligated to cover and should align its policies on compounded medications with existing regulations or change those rules, a federal watchdog agency says. The Defense Department health program paid for 465,000 compounded medications in 2013, about one-third of 1 percent of all prescriptions covered by Tricare for the year, at a cost 50 times higher than it spent on compounded medications in 2004. According to the Government Accountability Office, the benefit — used largely by retirees and their family members, who filled more than 85 percent of all Tricare compounded prescriptions last year — is more generous than coverage for these prescriptions under either Medicare or the Veterans Affairs Department health system, and offers a prime opportunity for cost savings.

Compounded medications are prescriptions formulated by pharmacists that usually combine an FDA approved pharmaceutical with bulk ingredients — powders, creams or liquids — designed to meet an individual patient’s needs, either by altering a dosage, eliminating an allergen or changing the medication’s delivery method. Tricare announced in July 2013 that it would stop covering any compounded prescriptions containing ingredients not approved by the Food and Drug Administration. Tricare officials said they made the decision out of concern for patient safety — in 2012, 64 people died after receiving contaminated steroid injections compounded at a facility in Massachusetts — as well as legal restrictions that keep the military health system from paying for prescriptions containing unapproved ingredients. But the decision caused an uproar among Tricare beneficiaries who use compounded medications, prompting Congress to order a GAO analysis of the program.

In a report released earlier this month, GAO found that Tricare’s coverage for these prescriptions skirts DoD’s own regulations and contributes to rising costs. “Although compounded drugs account for only a small percentage of the drugs

dispensed to Tricare beneficiaries in pharmacy settings, their costs have increased significantly over the past ten years ... notably higher than Tricare's overall increase in drug costs," GAO analysts found. "We recommend the Secretary of Defense align Tricare's payment practices for compounded drugs with applicable regulations governing the Tricare program. This may include considering whether to amend Tricare regulations to explicitly allow payment for some or all bulk drug substances in compounded drugs." According to the GAO, all of the top 25 most expensive compounded prescriptions issued to Tricare beneficiaries at retail pharmacies in 2013 were topical medications, and most were pain medications. The compounded medication at the top of the list was a combination of the pain medications ketamine and lidocaine with an anti-inflammatory and antidepressant and bulk ingredients, issued for 721 prescriptions at a cost of nearly \$5.3 million. The average cost per prescription of the medications in the top 25 ranged from \$848 to \$9,961.

In an interview with Military Times earlier this year, Rob Gussenhoven, chief science officer at DermaTran, a company that makes prescription pain creams for patients, including 2,000 Tricare prescriptions, said that cutting reimbursements for compounded medications could save DoD money but also might cause more problems for patients. He said topical medications like the ones compounded by his company — and those determined by the GAO to be among the priciest compounded medications — often keep patients from taking other addictive and dangerous pain medications. "It's the wrong time to restrict access to compounded medications," Gussenhoven said. "In addition to overdoses and deaths, opioid [painkillers] can ... disrupt the neuroendocrine system, reduce testosterone production, magnify pain and depression and lead to suicide ideation."

In a written response to the GAO report, Assistant Secretary of Defense for Health Affairs Dr. Jonathan Woodson said DoD health officials are monitoring the FDA's changing regulations regarding compounded medications and will take into account any decisions made by the FDA regarding compound medication rules. Woodson also noted that the proposed fiscal 2015 defense authorization bill includes a provision that would allow DoD to provide coverage of these compounds, and if approved, "may shape DoD's approach to compounded drugs." [Source: NavyTimes | Patricia Kime | Oct 10, 2014 ++]

VA Accepting Provider Applications to Extend Program for Veterans with Traumatic Brain Injury

The Department of Veterans Affairs (VA) today announced it is currently accepting proposals for the Assisted Living Pilot Program for Veterans with Traumatic Brain Injury (AL-TBI). The program had been slated to sunset this year, however the Veterans Access, Choice, and Accountability Act of 2014 (“Choice Act”) extends the program through October 6, 2017.

“Due to the severity and complexity of their injuries, Veterans with TBI can require an extraordinary level of care and other support services,” said Interim Under Secretary for Health, Dr. Carolyn Clancy. “The AL-TBI program provides specialized assisted living services to eligible Veterans with traumatic brain injury to enhance their rehabilitation, quality of life and community integration.” Under the AL-TBI program, Veterans meeting the eligibility criteria are placed in private sector TBI residential care facilities specializing in neurobehavioral rehabilitation. The program offers team-based care and assistance in areas such as speech, memory and mobility. Approximately 187 Veterans were enrolled into the AL-TBI Pilot Program in 46 different facilities located in 22 states. Currently, there are 94 Veterans enrolled in the pilot.

The extension of the program offers opportunities for providers wishing to participate in the program. VA is accepting proposals through November 20, 2014. To be eligible, contractor facilities must meet Federal, State and local standards and be accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF) in Residential Rehabilitation/Brain Injury Program. Contracts for the extended program are expected to be awarded in February 2015.

Veterans Panel Sets Lame Duck Hearing on Suicide Prevention Bill

By Connor O'Brien, CQ Roll Call
Oct. 21, 2014 – 12:33 p.m.

When Congress returns the week after midterm elections, a House Veterans' Affairs subcommittee will hear testimony on a handful of bills, including bipartisan legislation aimed at stemming the tide of veterans suicides.

The hearing, which the panel's Health Subcommittee has scheduled for Nov. 14, is an early indication that the committee still aims to move legislation even in the narrow window provided by a lame-duck Congress.

While there are a handful of legislative items seen as "must-pass" for the lame-duck session — including a defense authorization bill and a new measure to fund the government after Dec. 11 — the specifics of each chamber's legislative agenda has been largely unclear in the run-up to the elections.

The House measure (HR 5059) to require the Veterans Affairs and Defense secretaries to carry out annual evaluations of mental health care and suicide prevention programs, introduced in July by Minnesota Democrat and former National Guardsman Tim Walz, has 107 cosponsors — nearly one quarter of the House. The cosponsors include House Veterans' Affairs Chairman Jeff Miller, R-Fla., who "wants to see it pass as soon as possible," according to a committee aide.

The bill is named for Clay Hunt, a Marine veteran of the wars in Iraq and Afghanistan who committed suicide in 2011 at age 28. A 2012 report issued by the Department of Veterans Affairs estimated that 22 veterans took their own lives each day in both 2009 and 2010. A report issued by the Defense Department on military suicides found that 319 members of the active military component took their own lives, as did 130 members of the National Guard and 73 reservists.

Among its provisions, the legislation would require a third-party review of Pentagon and VA mental health and suicide prevention programs at least annually and would amend the requirements for reviewing discharges of military service members diagnosed with traumatic brain injury or post-traumatic stress disorder. The legislation also would require the VA to create a website to serve as a centralized source for veterans for information on VA's mental health services.

The legislation would mandate that the Defense and the VA departments enter into "formal strategic relationships" between reserve component commands and VA facilities and offices at the state level to facilitate mental health referrals, transfer of documentation and timely services. It also would mandate an assessment by the Government Accountability Office on the transition of care for

individuals diagnosed with post-traumatic stress disorder or traumatic brain injuries.

The bill also is designed to beef up mental health staffing by requiring the VA to carry out a loan repayment pilot program for eligible psychiatrists. The measure would require the Pentagon to review the staffing requirements for directors of psychological health for National Guard commands in each state.

Four additional bills are set for consideration at the post-election subcommittee hearing, including legislation (HR 4720) introduced by Michigan Republican Tim Walberg that would give medal of honor recipients higher priority for enrollment in VA health care.